

**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 E. 14th Street, Des Moines, IA 50319**

FINAL

February 1, 2013

To ensure the most efficient use of State resources, the February 1, ITTC meeting was held via a conference call pursuant to Iowa Code section 21.8. A conference call also ensured more Commissioners were able to participate in the meeting and reduced the risk of delays caused by weather or other impediments to travel. The meeting was accessible to members of the public through attendance at the Grimes State Office Building.

Commissioners Present

Richard Bruner, Chair (on-site)
Robert R. Hardman, Member (via teleconference)
Tim Lapointe, Member (via teleconference)
Mary Sellers, Member (via teleconference)
Kate Kohorst, Member (via teleconference)
David Vaudt, Ex Officio member, (via teleconference)

Iowa Communications Network Staff Present:

Dave Lingren, Executive Director
Mark Johnson, Administration Director
Phil Groner, Business Services Manager
David Marley, Network Operations and Engineering Manager
Mike Cruise, Senior Accountant – Finance Division
Marcia Page, Executive Secretary
Lori Larsen, Communications Director
Jontell Harris, Director of Government Relations
Carmelita Doke, Receptionist (Recorder/Minutes)

Guests:

Rob Smith, Fiberutilities Group
Meghan Gavin, Attorney General's Office
Michael Eggley, Iowa Network Services (INS)
Joe Hrdlicka, Iowa Telecommunications Association (ITA)
Mike Kramer, IBM
Marcia Tannian, Legislative Services Agency (LSA)
Anna Hyatt-Crozier, House Democratic Caucus Staff

Call to Order

Chair Bruner called the meeting to order at 1:05 p.m. It was noted that a quorum of members were present for the meeting.

Old Business

Approval of the Request for Proposal (RFP) for the Sale or Lease of the ICN – Dave Lingren

In the December ITTC meeting, the Commission deferred action on approving the RFP for the sale or lease of the ICN until ICN received feedback from the Governor's Office. ICN was able to meet with the Governor's Office and received modifications to be made to the RFP. ICN completed the modifications and sent a copy of the modified version of the RFP to the Commissioners. The ICN website has a timeline provided; however, ICN will be modifying the timeline to extend the timeframe for potential bidders to respond. Executive Director Dave Lingren received feedback regarding the timeframe limitation during a presentation given to the legislature in November.

Commissioner Kohorst moved to approve the modified RFP; Commissioner Hardman seconded the motion.

Q: Please explain the two provisions that were requested to be removed.

A. The two provision removed from the RFP included a \$10,000 non-refundable fee requirement for any potential offeror to submit a bid and also a provision requiring any potential purchaser to maintain ICN staff for at least a twelve-month period. The provisions served two purposes.

The first provision requiring the \$10,000 non-refundable fee was an attempt to try and limit the number of non-serious, non-qualified bidders who have no ability or intent to make an offer in the bidding process.

The second provision regarding the twelve-month period for employees was included to provide comfort to the stakeholders and ICN costumers that services would be transitioned as seamlessly as possible. ICN provides critical services to customers such as healthcare, first responders and other businesses. These customers need to be assured of a smooth transition if there is a purchase. The Governor's Office felt that it should be up to any potential buyer as to how many ICN employees would be necessary to accomplish that task. The Governor's Office wants the process to be open and solicit as many responses as possible.

The provisions being removed were suggestions made by the RFP Implementation Team (RIT), a group of stakeholders from key organizations tasked with providing advice regarding specific definitions and assumptions for unidentified aspects of the legislation passed for the sale or lease of the ICN.

Q. This is a follow-up on the discussion. The organizational charts are provided in the RFP on page 49. Is providing the organizational chart necessary since the second requirement regarding employees has been removed?

A. In order for a potential buyer to fully identify any costs they might incur, at least they will be able to identify the key staff positions and what the associated costs would be for that position.

Rob Smith, Fiberutilities Group, stated that the RFP team eliminated the provisions describing salaries and benefits, etc., that were associated with the twelve-month provision for the staff.

A motion to approve the revisions to the RFP was made.

Commissioner Hardman – Yes

Commissioner Kohorst - Yes

Commissioner Lapointe – Yes

Commissioner Sellers – Yes

Commissioner Bruner – Yes

Comments:

The RFP will be released on Wednesday, February 6, 2013. ICN must post all biddings to the ICN Bidding Opportunities webpage in accordance to RFP procurement rules. ICN will send the RFP and any updates to individuals who have requested to be included on the distribution list subject to all notifications regarding the RFP process. Any interested individuals can contact ICN and request to be placed on the distribution list.

Q. Commissioner Lapointe pointed out that the provision regarding the \$10,000 non-refundable fee was still included on page 40 of the revised RFP document.

A. The RFP will be corrected.

Mike Eggle, INS: I would like to ask the Commission if the questions submitted by INS, which are not directly related to the RFP, will be considered in this meeting.

Dave Lingren, Executive Director: Per standard rules of this meeting, there is no Q & A given that requires action. As far as the questions that Mike Eggle submitted, we are still reviewing those and adhere to all state procurement laws. We want to be completely fair in the RFP process.

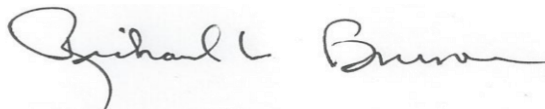
Mike Eggle, INS: What date will the library be available? If this question is going to be covered in the RFP on Wednesday, then no problem.

Dave Lingren: The Resource Room will be addressed when the RFP is released on Wednesday.

Adjournment

Commissioner Lapointe made the motion to adjourn the ITTC telephonic meeting; Commissioner Hardman seconded that motion. The ITTC meeting adjourned at 1:20 p.m.

ATTESTED TO:



Richard Bruner, Chair, Iowa Telecommunications and Technology Commission